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Tender

DV4 Enterprise

Scottish Water

F05: Contract notice – utilities

Notice identifier: 2024/S 000-038070

Procurement identifier (OCID): ocds-h6vhtk-04be95

Published 25 November 2024, 4:55pm

Section I: Contracting entity

I.1) Name and addresses

Scottish Water

The Bridge, 6 Buchanan Gate, Stepps

Glasgow

G33 6FB

Contact

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Telephone

+44 1414830892

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

<https://www.scottishwater.co.uk/>

Buyer's address

<https://www.scottishwater.co.uk/>

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

https://atamis-scottishwater.my.salesforce-sites.com/ProSpend__CS_PublicLandingPage?SearchType=Projects

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

https://atamis-scottishwater.my.salesforce-sites.com/ProSpend__CS_PublicLandingPage?SearchType=Projects

Tenders or requests to participate must be submitted to the above-mentioned address

I.6) Main activity

Water

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

DV4 Enterprise

Reference number

SW24/CON/1480

II.1.2) Main CPV code

- 45220000 - Engineering works and construction works

II.1.3) Type of contract

Works

II.1.4) Short description

Scottish Water is seeking to appoint suitably experienced Asset Delivery Partners and Primary Designer(s) and to deliver our SR27 and SR33 programme of capital works. SR27 is the regulatory period spanning from April 2027 until March 2033. SR33 is the regulatory period spanning from April 2033 until March 2039. Scottish Water aim to award this procurement by March 2026. It will run for a fixed period of seven years until March 2033 with an option to extend for a further six years until March 2039.

The Construction, Design and Management (CDM) 2015 Regulations will apply. Successful bidders will be required to utilise Scottish Waters Supply Chain and Specialist Frameworks.

To deliver the Capital Investment Programme SW is creating an Enterprise, an advanced partnering supply chain model which includes Asset Delivery Partners (ADP) and Primary Designer(s) (PD) working together in high performing integrated teams to deliver programmes of work.

The Enterprise model will have a dynamic outcome-based set of measures, with partners incentivised against service sub-programme and Enterprise outcomes and SW will have embedded resources within the Enterprise. There will also be minimum business performance thresholds in the form of KPI's.

The Enterprise will incorporate enhanced partnering capabilities and a behavioural environment supporting closer resource integration, combined with a trading environment that also supports this approach. This will deliver affordability to support our investment targets, whilst also being adaptable and flexible enough to support changing requirements.

There will be collective focus on Beyond Zero Harm which helps us drive towards

improving health, safety and wellbeing and partners will support Scottish Waters Beyond Net Zero ambitions.

This enterprise model procurement will be structured into two Lots: Lot 1 Primary Designer/s, Lot 2 Asset Delivery Partners

II.1.5) Estimated total value

Value excluding VAT: £9,000,000,000

II.1.6) Information about lots

This contract is divided into lots: Yes

Tenders may be submitted for one lot only

II.2) Description

II.2.1) Title

Lot 1 - Primary Designer(s)

Lot No

1

II.2.2) Additional CPV code(s)

- 71320000 - Engineering design services
- 71322400 - Dam-design services
- 71323200 - Plant engineering design services
- 79415200 - Design consultancy services
- 71311000 - Civil engineering consultancy services
- 71311300 - Infrastructure works consultancy services
- 71312000 - Structural engineering consultancy services
- 90490000 - Sewer survey and sewage treatment consultancy services
- 90492000 - Sewage treatment consultancy services
- 79415200 - Design consultancy services

II.2.3) Place of performance

NUTS codes

- UKM - Scotland

Main site or place of performance

Pan Scotland

II.2.4) Description of the procurement

Scottish Water is seeking to appoint a strategic partner(s) for the provision of Primary Designer services. This will provide assistance with the Strategic programme development, design and delivery of its Investment Programme and will cover improvement works associated with all Water and Wastewater assets across Scotland. This may include new assets, renewals, modification, maintenance, refurbishments, extensions and enhancements to existing assets. It is a requirement that bidders must be capable to act as the Principal Designer role under the Construction, Design and Management (CDM) 2015 Regulations, this includes pre construction responsibilities.

Estimated contract value across the framework for a 13 year period, expected to commence April 2026 is in the range of £600 million to £1.3bn.

The Primary Designer will be engaged to provide strategic support, studies, design and technical services at pre, during and post construction, ensuring successful delivery of infrastructure and non-infrastructure programs. They will enhance and maintain a standard design and product library driving process engineering, Nature Based Solutions (NBS) and low carbon products and processes. The Primary Designer will maximise the use of repeatable designs and processes to deliver projects ensuring successful delivery of infrastructure and non-infrastructure programmes of work.

The appointed primary designer(s) is expected to work with Scottish Water and Enterprise Partners over the duration of this agreement to develop effective collaboration, which may include the negotiation of incentive mechanisms, sharing of risk, co-location with multi-agency teams and secondment.

SW Primary designer will be required to support the Enterprises end to end processes, the Partner(s) that will provide Scottish Water's Primary Designer services will support:

- Support Scottish Water Strategic Ambitions of; Service excellence, Beyond net zero emissions and Great value and financial sustainability.
- The design and development of solutions for delivery by framework delivery partners or tendered contractors.
- Create and develop design specifications, drawings, and technical documentation.
- Collaborate with internal teams to align designs with operational and maintenance requirements.

- Holds end to end accountability for project design.
- Ensure compliance with SW requirements, relevant industry standards and regulations.
- Manage Scottish Water's standard products and design library whilst working with the wider SW supply chain.
- Integration of Primary Designer outcomes with Common Data Environment (CDE) as required ensuring compliance with key areas e.g. file locations, file integrity, format etc
- Drive standardisation in design and design management, low carbon products and processes and innovation across programmes and supply chains.
- The study, investigation, data collection, modelling and identification of water and wastewater service related performance improvement requirements.
- The provision of modelling support to inform the design and development of solutions.
- The auditing and assessment of water and wastewater models developed by others.
- Project management support and resources
- The development and assessment of traditional and innovative asset and operational based solutions, feasibility studies, and investment appraisals to support decision making by the client.
- Technical support
- Provide expert technical advice and design support throughout the project lifecycle, from conception to completion providing buildability/delivery plan input and client design assurance. Develop outline plans and requirements to commission the projects being developed and how standard products will be commissioned - standard commissioning.
- Provide expertise on an 'as needed' basis to ensure knowledge transfer and continuity of design support.
- Provide digital handover packages and configure asset information, ensuring lessons learned are recorded.
- Supply technically qualified professionals to be seconded to the water utility for defined periods to support in-house teams.
- Undertake environmental impact assessments, studies, risk analyses, and technical evaluations as needed.
- Evaluate alternative solutions for system upgrades or new infrastructure, providing recommendations based on cost, feasibility, and performance.
- Support the client through strategic consultancy advice, including digital engineering / assembly techniques opportunities e.g. digital twin, rehearsal.
- Provide expertise to support the understanding of future climate impacts on Scottish Waters assets and environment to ensure that systems and services are resilient to climate change.

The Primary Designer is responsible for design and takes accountability for design across the project lifecycle working with the integrated high performing Enterprise team it is a part of. The Primary Designer assesses the most effective way to deliver outcomes i.e. prioritises no build, less build / alternative solutions, efficient build. The Primary Designer works with the supply chain to identify and develop standardisation and alternative low carbon opportunities and agree Asset Delivery Partner or supply chain led elements of the design. The Primary Designer supports Client with asset planning and asset

strategy/policy and standards.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £1,300,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

156

This contract is subject to renewal

Yes

Description of renewals

The framework will be 7 years initial term with 6 years' worth of extension options (at the sole discretion of Scottish Water) to 2039 and SW will conduct a mid-point review of the agreement in 2030.

II.2.9) Information about the limits on the number of candidates to be invited

Envisaged number of candidates: 6

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

II.2) Description

II.2.1) Title

Lot 2 - Asset Delivery Partners

Lot No

2

II.2.2) Additional CPV code(s)

- 45240000 - Construction work for water projects
- 45232100 - Ancillary works for water pipelines
- 45259100 - Wastewater-plant repair and maintenance work
- 45232151 - Water-main refurbishment construction work
- 45232431 - Wastewater pumping station
- 45252120 - Water-treatment plant construction work
- 45252127 - Wastewater treatment plant construction work
- 45259100 - Wastewater-plant repair and maintenance work
- 45350000 - Mechanical installations
- 45351000 - Mechanical engineering installation works
- 45240000 - Construction work for water projects
- 71500000 - Construction-related services
- 71541000 - Construction project management services
- 45232440 - Construction work for sewage pipes
- 44161200 - Water mains
- 45232100 - Ancillary works for water pipelines
- 45232000 - Ancillary works for pipelines and cables
- 50411100 - Repair and maintenance services of water meters
- 45232152 - Pumping station construction work
- 45252126 - Drinking-water treatment plant construction work

- 45213340 - Construction work for buildings relating to water transport
- 45213340 - Construction work for buildings relating to water transport
- 45232430 - Water-treatment work
- 45252120 - Water-treatment plant construction work
- 45259100 - Wastewater-plant repair and maintenance work
- 44130000 - Sewer mains
- 45232420 - Sewage work
- 90470000 - Sewer cleaning services
- 71334000 - Mechanical and electrical engineering services
- 50530000 - Repair and maintenance services of machinery
- 50531000 - Repair and maintenance services for non-electrical machinery
- 31682210 - Instrumentation and control equipment
- 79933000 - Design support services
- 71631430 - Leak-testing services
- 45232130 - Storm-water piping construction work
- 50532400 - Repair and maintenance services of electrical distribution equipment
- 71520000 - Construction supervision services
- 71540000 - Construction management services
- 45231300 - Construction work for water and sewage pipelines
- 45232400 - Sewer construction work

II.2.3) Place of performance

NUTS codes

- UKM - Scotland

Main site or place of performance

Pan Scotland

II.2.4) Description of the procurement

Scottish Water is seeking to appoint Asset Delivery Partners (ADPs) which will be accountable for driving programme/project delivery, liaising with the Enterprise Primary Designer and Integrator functions to perform Design & Build activities, while adhering to standardised designs. The ADP manages day-to-day activities during construction and coordinates the works with Scottish Water Operations until the point of asset handover.

Scottish Water is seeking to appoint suitably experienced Civils, Infrastructure and MEICA (Including Process Engineering capability) Asset Delivery Partners to deliver our SR27 and SR33 programme of capital works under an outcome-based Enterprise model. Works may include new assets and renewals, surveys and inspections, modifications, complex maintenance, refurbishments, extensions, and enhancements to existing assets. More specifically, the programmes of work based on the SR27 forecast include:

Design and construction of complex and non-complex civil engineering, mechanical, electrical, hydraulic, telemetry, control, instrumentation, and commissioning as required. This support will include works associated with new assets, renewals, modification, maintenance, and refurbishment of water and wastewater networks including mains rehabilitation and lining, sewerage networks, pumping stations and process works including mechanical, electrical, instrumentation and commissioning. The programme pipeline in SR27 includes but is not limited to UID and Flooding Network Capital Maintenance, Waste Water Treatments Works (WWTW) Upgrades & Growth, WWTW Capital Maintenance, Water Networks and new and replacement Pipelines, cleaning and maintenance, Water Treatment Works (WTW) upgrades & Capital Maintenance, Treated Water Storage build and repair.

We are looking for bidders who are committed to working in a safe, collaborative, and flexible way, who will support our drive for increased cost, carbon, time and standardisation efficiencies and who hold the appropriate capability and resources to help us deliver our strategic ambitions of Beyond Net Zero, Service Excellence and Great Value and Financial Sustainability. Successful bidders must be able to safely carry out Principal Contractor responsibilities and will be required to evidence their experience and capabilities in design and build activities for large and complex projects as well as operational requirements such as but not limited to; major water bursts, major sewer collapses and leakage support. Bidders must only bid as single entities and not as joint ventures or consortium.

The framework will be awarded from 2026-2033, with extension options, at client discretion based on business requirements, up to 2039. The estimated net value range of this procurement is £4bn - £7.7bn. Ranges are based on 2024 pricing and as such, Scottish Water reserves the right to index these values over the duration of the procurement. Successful partners will get an allocated share of this work as part of the advanced partnering approach.

Scottish Water reserves the right to augment the supply chain during SR27 to support emerging SR33 needs. SR33 is the period from 1st April 2033 until 31st March 2039. To facilitate this, a mid-point review of the SR27 supply chain will be conducted in 2030 and the current supply chain capacity and capability will be assessed at this time to ensure business requirements will be met. Based on the outcome of the review, Scottish Water reserves the right to procure additional/alternative supply chain contractor partners, as required.

The scope of the ADP (Lot 2) will be further divided into three sub-lots:

2a) Civils

- indicative works include creation of above or below ground civil structures e.g. storm tanks and treated water storage tanks.

2b) Infrastructure

- indicative works include installation of new pipework, replacement pipework, refurbished pipework or major repairs of water and sewer pipework, and water pipe lining.

2c) Mechanical, Electrical, Instrumentation, Control and Automation (MEICA) - including Process Engineering, Commissioning Engineering and Smart Technology/Internet of Things (IoT).

- Mechanical: This involves the design, installation and maintenance of mechanical systems including pumps, piping and treatment processes.
- Electrical: This includes electrical site cabling, motor control centres (MCCs) and other electrical installations.
- Instrumentation: This covers the devices and systems used to measure and control variables like flow, temperature, pressure and quality
- Control: This includes operational technology, systems and software used to control and automate operational processes.
- Automation: This refers to the integration of various systems to automate processes, improving efficiency and reliability including AI and data analytics.
- Process Engineering: This includes the design, installation, integration and commissioning of process equipment to treat water and wastewater to the required standards for supply to customers or discharge to the environment.
- Commissioning Engineering: Ensures that systems and components are designed, installed, tested, operated, and maintained according to the operational requirements of the client.
- Smart Technology / IoT: Ability to design, install and commission smart technologies and IoT systems, including selecting appropriate technology, sensors, devices, and communication protocols. Ensuring these are integrated into site industrial control systems and connected to top-end communication and corporate data platforms.

These lots will be evaluated separately, and bidders are able to bid on one or multiple sub-lots. Bidders may be awarded more than one sub-lot.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £7,700,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

156

This contract is subject to renewal

Yes

Description of renewals

The framework will be 7 years initial term with 6 years' worth of extension options (at the sole discretion of Scottish Water) to 2039 and SW will conduct a mid-point review of the agreement in 2030.

II.2.9) Information about the limits on the number of candidates to be invited

Envisaged number of candidates: 12

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

Section III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.2) Economic and financial standing

Selection criteria as stated in the procurement documents

III.1.3) Technical and professional ability

Selection criteria as stated in the procurement documents

III.1.4) Objective rules and criteria for participation

List and brief description of rules and criteria

See procurement documents for further information

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

IV.1.3) Information about a framework agreement or a dynamic purchasing system

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.2) Time limit for receipt of tenders or requests to participate

Date

6 January 2025

Local time

12:00pm

IV.2.4) Languages in which tenders or requests to participate may be submitted

English

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.2) Information about electronic workflows

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

VI.3) Additional information

Scottish Water reserves the right to augment the supply chain during SR27 to support emerging SR33 needs. To facilitate this, a mid-point review of the SR27 supply chain will be conducted in 2030 and the current supply chain capacity and capability will be assessed at this time to ensure business requirements will be met. Based on the outcome of this and subsequent reviews, Scottish Water reserves the right to procure additional/alternative supply chain enterprise partners, as required.

In SR27, Scottish Water will also procure a Domestic Subcontract Network (DSN) and a Tier 2/Regional framework which will be suitable for small/medium enterprises and specialist partners to work with the enterprise and will support capital and operational requirements. Wider frameworks will be procured for materials, plant and specialist water and wastewater equipment that all partners within the supply chain can utilise opening up further opportunities for the market to be part of the SR27 Scottish Water Supply Chain.

VI.4) Procedures for review

VI.4.1) Review body

Glasgow Sheriff Court

1 Carlton Place

Glasgow

G5 9DA

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

Scottish Water

The Bridge, 6 Buchanan Gate, Stepps

Glasgow

G33 6FB

Email

help@scottishwater.co.uk

Country

United Kingdom

Internet address

<https://www.scottishwater.co.uk/>